

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE**

CRYSTALLEX INTERNATIONAL CORP.,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Misc. No. 17-151-LPS
	)	
BOLIVARIAN REPUBLIC OF VENEZUELA,	)	<b>PUBLIC VERSION</b>
	)	
Defendant.	)	
	)	
_____	)	

**SPECIAL MASTER'S MONTHLY REPORT  
FOR THE PERIOD ENDED SEPTEMBER 30, 2021**

Dated: October 12, 2021  
Public version dated: October 19, 2021

ROBERT B. PINCUS in his capacity as  
Special Master for the United States District Court for the District of Delaware  
108 Rockford Gove Lane  
Wilmington, DE 19806

October 12, 2021

**PUBLIC VERSION**

October 19, 2021

**BY HAND DELIVERY & CM/ECF**

The Honorable Leonard P. Stark  
United States District Court for the District of Delaware  
J. Caleb Boggs Federal Building  
844 North King Street  
Wilmington, DE 19801-3570

Re: *Crystallex International Corp. v. Bolivarian Republic of Venezuela*, D. Del. C.A. No. 1:17-mc-00151-LPS; Special Master's Monthly Report for the Period Ended September 30, 2021 (this "**Report**")

Dear Judge Stark:

By order dated April 13, 2021 [D.I. 258], Your Honor appointed me as Special Master in this case to design, oversee, and implement the sale of Petroleos de Venezuela, S.A.'s shares of PDV Holding Inc. On May 27, 2021, Your Honor issued the *Order Regarding Special Master* [D.I. 277] (the "**May 27 Order**")<sup>1</sup> setting forth, among other things, various obligations and duties applicable to the Special Master, the Parties, and ConocoPhillips (together with the Parties, the "**Sale Process Parties**"), including my obligation to provide the Court with a monthly report concerning my progress and efforts. The last report that I submitted to the Court was for the period ended August 31, 2021 [D.I. 353] (the "**August Report**"). I hereby write to provide this Report for the period since the August Report through September 30, 2021.

**Summary of Events Taking Place this Period**

During this period, I have undertaken the following actions, with the assistance of my advisors (collectively, the "**Advisors**"), in accordance with my duties and obligations set forth in the May 27 Order:

- Continued numerous work streams to address questions and issues related to the Proposed Sale Procedures Order, which was filed with the Court on August 9, 2021 [D.I. 302], including questions and issues related to the report and recommendation (the "**Report**") filed contemporaneously therewith [D.I. 303].

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<sup>1</sup> All capitalized terms used but not otherwise defined herein, have the meanings ascribed to such terms in the May 27 Order.

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- Prepared and filed a letter with the Court amending paragraph 53 of the Report [D.I. 373].
- Reviewed and analyzed objections filed by the Sale Process Parties to the Proposed Sale Procedures Order and prepared and filed a Response to Objections (the “**Response to Objections**”) in response to same [D.I. 341].
  - The Response to Objections included a revised Proposed Sale Procedures Order with proposed revisions designed to resolve objections filed by the Sale Process Parties.
- Leading up to the filing of the Response to Objections, continued to attempt to narrow the areas of dispute relating to the Proposed Sale Procedures Order, including, but not limited to, the terms pursuant to which Evercore Group L.L.C. would serve as my financial advisor in connection with the implementation of the Proposed Sale Procedures Order should Your Honor enter the order and approve the engagement.
- Reviewed and analyzed the letter Crystallex received from the Department of the Treasury’s Office of Foreign Assets Control (“**OFAC**”), dated September 10, 2021, as well as the related letters filed with the Court by Crystallex and the Venezuela Parties regarding the implications thereof [D.I. 346 and 352].
- Met with representatives from the United States, including representatives from the Department of Justice, the Department of State, and the Department of the Treasury, including OFAC, to discuss, among other things, the timeline and mechanics for implementing the Proposed Sale Procedures Order.
- Met and conferred with each of the Sale Process Parties and prepared a proposed form of order setting forth budgeting procedures pursuant to the Court’s September 8, 2021 *Memorandum Order* [D.I. 337] (the “**September Order**”), which proposed order was filed with the Court on September 29, 2021 [D.I. 370] (the “**Proposed Budget Procedures Order**”) and included a proposed initial budget as Exhibit A thereto (the “**Proposed Initial Budget**”).
  - The numerous steps that I took pursuant to the September Order in connection with preparing the Proposed Budget Procedures Order are detailed more fully in the cover letter I filed in connection therewith [D.I. 370].
- Reviewed and analyzed statements, requests, and related documentation provided by the Sale Process Parties regarding the outstanding judgments of Crystallex and ConocoPhillips.

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- Responded orally and in writing to questions, inquiries and requests for clarification from the Sale Process Parties on a number of topics and issues related to the proposed sale process.

### **Statement of Fees and Expenses**

Finally, the May 27 Order requires that I submit an Itemized Statement of my fees and expenses on a monthly basis. During the period September 1 through September 30, 2021, I have incurred an aggregate of [REDACTED] of fees and expenses in connection with carrying out my duties as Special Master. This amount includes the monthly fees and expenses of counsel in connection with the matters contemplated by the May 27 Order. The Itemized Statement, attached as Annex E hereto, contains a breakdown of such fees and expenses among my Advisors and myself.

I respectfully request that Your Honor determine that such fees and expenses are regular and reasonable. A proposed form of order is enclosed for Your Honor's consideration.

I am available at the convenience of the Court, should Your Honor have any questions.

Respectfully Yours,

*/s/ Robert B. Pincus*

Robert B. Pincus, in my capacity as  
Special Master for the United States  
District Court for the District of  
Delaware

Enclosures

cc: All Counsel of Record (via CM/ECF and E-Mail)